



COLORADO DEPARTMENT OF HEALTH CARE POLICY & FINANCING

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Bill Ritter, Jr., Governor • Joan Henneberry, Executive Director

DATE: Week Ending Friday, February 27, 2009

TO: Department of Health Care Policy and Financing Community

FROM: Ginny Brown, Legislative Liaison and Nicole Storm, Legislative Analyst

RE: Legislative Report – 2009 Session of the Colorado General Assembly

On Thursday, February 26, Governor Ritter announced the **Colorado Healthcare Affordability Act**, HB09-1293 (JBC-sponsored bill), which would allow Colorado to leverage state funds to draw down additional federal funds to provide coverage to more than 100,000 uninsured Coloradans. The proposal also would help stem the rising cost of health insurance for businesses and families by addressing cost-shifting, one of the key drivers of rising costs, without increasing the burden on taxpayers. By assessing a provider fee on hospitals, Colorado would generate an additional \$600 million a year to provide coverage to the uninsured, and receive \$600 million in federal matching funds. The combined \$1.2 billion would cover more than 100,000 currently uninsured Coloradans through Medicaid and the Child Health Plan *Plus* (CHP+). The funds also would improve hospital reimbursement rates for service provided through Medicaid and the Colorado Indigent Care Program (CICP).

More than 40 states have implemented this type of strategy for health programs, including more than 20 states that have hospital provider fees. Colorado passed a similar law with nursing home providers in 2008 (House Bill 08-1114, which was co-sponsored by then-Rep. Al White (R-Hayden) and Sen. Jim Isgar (D-Hesperus)).

The bill is sponsored by the Joint Budget Committee, the bipartisan group of legislators that is responsible for setting the state budget each year, and will be introduced next week in the House.

The Department's "**Ahlborn**" proposal, HB09-1191, Representative McCann and Senator Boyd, passed on third reading in the House 64:1. The bill would bring our state statute into compliance with federal law as it applies to third party recoveries in tort and casualty cases, limiting the recovery to only the medical portion. It now moves on to the Senate.

Modify Colorado Cares Rx, SB09-132, Senator Boyd and Representative Kerr, modifies the Colorado Cares Rx program and requires the Department to make information available to the public regarding the availability of lower-cost generic or discounted prescription drug programs. The bill passed in the House and will be introduced in the Senate next week.

For more information about legislative activities please contact Ginny Brown 303-866-3972 or Nicole Storm 303-866-3180 or access www.colorado.gov to search the General Assembly Web site. A legislative report will be updated weekly on our Web site www.colorado.gov/hcpf under Research and Partners, Legislative Information, Legislative Update.